

## **EXHIBIT 2**

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE

L.P. MATTHEWS, LLC,	)	Civil Action No. 04-1507-SLR
	)	
Plaintiff,	)	
	)	
vs.	)	
	)	
BATH & BODY WORKS, INC., AND	)	
LIMITED BRANDS, INC., AND	)	
KAO BRANDS CO. (f/k/a THE	)	
ANDREWS JERGENS COMPANY), AND	)	
KAO CORPORATION,	)	
	)	
Defendant.	)	
_____	)	

Supplemental Expert Report of Larry W. Evans  
Pursuant to Federal Rules of Civil Procedure, Rule 26(A)(2)(B)

Pursuant to Rule 26(A)(2)(B), I submit the following Supplemental Expert Report of my opinions in this matter on behalf of Plaintiff L.P. Matthews, LLC (“Matthews”). I reserve the right to again supplement or modify the opinions expressed herein, as well as the basis for the opinions, depending upon the nature and content of the evidence defendants, Bath & Body Works, Inc., et al. (“BBW”) and Kao Brands Co., et al. (“KAO”) present and depending upon any additional discovery or other information provided by either of them in this matter. Primarily, the objective of this Supplemental Expert Report is to address evidence proffered by the defendants after I timely served my affirmative expert report, specifically the Declaration of David Story proffered by Kao on

March 31, 2006 and documents and testimony proffered by BBW as recently as April 11, 2006.

**REDACTED**

**REDACTED**

## **REDACTED**

9. Since submitting my initial expert report, I also have reviewed the transcript of and exhibits from the March 21, 2006 deposition of Philip Wood and Mr. Wood's April 11, 2006 Declaration ("Wood Declaration"). Mr. Wood is the financial reporting manager for Bath & Body Works, Inc. and was BBW's corporate designee provided in response to Rule 30(b)(6) topics concerning sales of accused. Mr. Wood's testimony, corresponding exhibits, and declaration are directed to additional sales of accused products in gift sets, which information I understand BBW had not produced during discovery.

10. Each gift set is comprised of materials and labor components. From the exhibits, testimony, and Wood Declaration, I determined what percentage of the total materials for each gift set was composed of accused product(s). I took that percentage and applied it to the labor component to apportion the labor to the accused products. That combined percentage of materials and labor components for each gift was then applied to the total gift set sale price to determine the percentage of that sale price attributable to the accused product(s) in the gift set. Using the combined percentage, the total sales were calculated and then reduced by the apportioned cost to calculate the profit

from those sales. Exhibit A is a summary the sales and profit information about BBW's accused product sales through gift sets.

11. As of about the end of 2005, BBW's total accused product sales through gift sets was \$6,790,114.97, with profits of \$3,550,823.98. Ex. A. The total net infringing sales by BBW as of about the end of 2004 for individual sales and the end of 2005 for gift set sales are \$88,618,722.91, with a total net infringing profit of \$69,177,345.92. See my initial report at ¶ 30.

12. Applying a royalty rate of at least 6-8% to its revenue from sales of its infringing accused products (see my initial report at ¶ 43) results in a royalty owed by BBW to Matthews/Greenspan as of about the end of 2004 (individual sales) and the end of 2005 (gift set sales) of at least about \$5,317,123.37 to \$7,089,497.83.

Respectfully submitted,

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Larry W. Evans

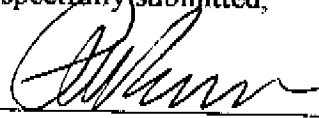
April \_\_\_, 2006

from those sales. Exhibit A is a summary the sales and profit information about BBW's accused product sales through gift sets.

11. As of about the end of 2005, BBW's total accused product sales through gift sets was \$6,790,114.97, with profits of \$3,550,823.98. Ex. A. The total net infringing sales by BBW as of about the end of 2004 for individual sales and the end of 2005 for gift set sales are \$88,618,722.91, with a total net infringing profit of \$69,177,345.92. See my initial report at ¶ 30.

12. Applying a royalty rate of at least 6-8% to its revenue from sales of its infringing accused products (see my initial report at ¶ 43) results in a royalty owed by BBW to Matthews/Greenspan as of about the end of 2004 (individual sales) and the end of 2005 (gift set sales) of at least about \$5,317,123.37 to \$7,089,497.83.

Respectfully submitted,



Larry W. Evans

April 24, 2006

# Exhibit A



Gift Set Number	Sales	Costs	Profit
42422688	\$132,626.77	\$72,854.23	\$59,772.53
42422691	\$37,483.53	\$23,208.85	\$14,274.69
42422727	\$91,325.20	\$68,159.93	\$23,165.27
42436412	\$29,182.32	\$17,087.80	\$12,094.53
42436438	\$93,091.03	\$45,342.76	\$47,748.27
42449399	\$103,613.70	\$49,176.89	\$54,436.82
42449409	\$0.00	\$0.00	\$0.00
42477756	\$98,725.58	\$49,395.17	\$49,330.41
42477769	\$50,138.90	\$29,993.52	\$20,145.38
42477840	\$83,004.77	\$46,074.62	\$36,930.15
42477853	\$0.00	\$0.00	\$0.00
42486909	\$4,192.41	\$2,827.81	\$1,364.59
42487322	\$1,748.46	\$921.09	\$827.36
42487380	\$2,929.74	\$1,680.95	\$1,248.79
42487403	\$479.88	\$366.80	\$113.08
42496818	\$60,812.99	\$24,784.22	\$36,028.76
42514321	\$29,886.66	\$18,732.73	\$11,153.93
45298929	\$163,363.84	\$71,630.77	\$91,733.07
45299038	\$48,989.79	\$26,718.95	\$22,270.85
45299054	\$7,927.71	\$4,434.27	\$3,493.44
45304266	\$37,564.05	\$13,926.98	\$23,637.07
45322895	\$25,059.40	\$9,649.79	\$15,409.62
45322934	\$20,262.28	\$10,281.76	\$9,980.51
45322950	\$93,708.72	\$39,437.44	\$54,271.28
45338397	\$65,877.62	\$27,444.26	\$38,433.36
45345610	\$0.00	\$0.00	\$0.00
45345681	\$95,667.51	\$38,021.59	\$57,645.92
45374827	\$934.86	\$477.76	\$457.09
45379246	\$5,783.40	\$2,740.84	\$3,042.56
45382770	\$9,769.09	\$5,055.21	\$4,713.88
45399284	\$3,350.71	\$3,342.67	\$8.03
45399307	\$2,668.48	\$1,178.93	\$1,489.55
45399349	\$3,441.64	\$2,130.35	\$1,311.29
45399365	\$2,371.36	\$1,396.70	\$974.66
45418851	\$40,804.49	\$21,882.36	\$18,922.13
45436477	\$59,684.08	\$23,010.94	\$36,673.14
45465503	\$113,987.40	\$49,050.20	\$64,937.20
46436515	\$27.17	\$29,538.86	(\$29,511.69)
58172595	\$19,055.31	\$7,926.93	\$11,128.38
58177804	\$932.43	\$386.97	\$545.46
58180095	\$10,207.95	\$4,470.84	\$5,737.12
58180150	\$430.86	\$196.13	\$234.74
58180215	\$9,586.40	\$4,763.87	\$4,822.53
58180231	\$374.81	\$185.79	\$189.03
58184237	\$203,501.97	\$81,169.35	\$122,332.62
58198171	\$22,554.34	\$10,303.73	\$12,250.60
58198252	\$9,911.22	\$5,879.28	\$4,031.95
58198443	\$17,582.39	\$8,411.37	\$9,171.02
58199565	\$6,490.40	\$3,613.11	\$2,877.29
58202119	\$41,925.88	\$82,908.11	(\$40,982.23)
58202779	\$27,611.45	\$10,914.52	\$16,696.93

58203325	\$24,228.83	\$9,675.18	\$14,553.65
58203338	\$21,626.49	\$9,396.66	\$12,229.83
58203422	\$104,820.07	\$46,624.97	\$58,195.10
58203448	\$178.69	\$85.62	\$93.07
58204162	\$20,673.67	\$10,275.43	\$10,398.24
58205624	\$25,529.64	\$12,346.29	\$13,183.35
58205844	\$7,861.71	\$3,356.07	\$4,505.64
58206173	\$0.00	\$0.00	\$0.00
58206995	\$13,953.55	\$6,723.77	\$7,229.77
58207651	\$0.00	\$0.00	\$0.00
58208058	\$33,129.23	\$11,826.66	\$21,302.57
58208579	\$51,088.58	\$16,232.11	\$34,856.47
58208896	\$0.00	\$0.00	\$0.00
58216024	\$13,223.01	\$3,334.73	\$9,888.28
58216503	\$26,673.54	\$7,292.69	\$19,380.85
58220463	\$16,962.79	\$6,701.19	\$10,261.60
58220845	\$18,573.33	\$7,505.78	\$11,067.54
58222283	\$0.00	\$0.00	\$0.00
58227136	\$28,460.91	\$11,940.18	\$16,520.73
58227372	\$41,066.53	\$19,177.10	\$21,889.43
58228436	\$46,312.72	\$19,580.96	\$26,731.76
58228724	\$22,271.12	\$53,398.52	(\$31,127.40)
58233337	\$60,614.18	\$34,914.57	\$25,699.61
58233489	\$242,273.62	\$94,896.50	\$147,377.12
58235584	\$53,259.14	\$19,085.71	\$34,173.43
58239988	\$16,694.78	\$7,316.00	\$9,378.78
58247239	\$19,233.99	\$10,037.15	\$9,196.83
58247336	\$6,387.02	\$4,243.55	\$2,143.47
58247527	\$10,502.56	\$4,678.14	\$5,824.43
58251791	\$14,356.93	\$8,443.19	\$5,913.74
58253087	\$211,850.33	\$106,041.13	\$105,809.20
58268072	\$16,259.79	\$7,079.93	\$9,179.86
58268629	\$16,209.06	\$6,930.01	\$9,279.05
58274448	\$0.00	\$0.00	\$0.00
58274561	\$33,143.12	\$11,772.12	\$21,371.00
58274655	\$22,729.88	\$44,924.28	(\$22,194.41)
58281994	\$56,145.51	\$19,068.78	\$37,076.73
58282757	\$13,274.89	\$4,536.71	\$8,738.18
58285563	\$39,075.13	\$15,042.17	\$24,032.95
58285929	\$16,086.74	\$12,001.39	\$4,085.35
58294570	\$68,231.41	\$23,132.25	\$45,099.17
58294693	\$27,628.08	\$60,486.96	(\$32,858.87)
58296471	\$8,965.03	\$3,683.23	\$5,281.80
58296769	\$46,146.70	\$18,348.22	\$27,798.48
58310975	\$49,669.26	\$16,730.23	\$32,939.03
58319895	\$3,715.59	\$1,374.22	\$2,341.37
58320392	\$24,552.48	\$11,218.63	\$13,333.85
58320664	\$53,236.40	\$21,079.31	\$32,157.10
58320677	\$51,810.04	\$20,838.22	\$30,971.82
58320774	\$20,855.23	\$9,749.28	\$11,105.95
58320965	\$12,049.42	\$5,653.73	\$6,395.69
58322138	\$17,494.08	\$7,142.60	\$10,351.48

58339503	\$84,603.07	\$33,130.03	\$51,473.05
58341258	\$36,741.86	\$15,025.99	\$21,715.86
58341672	\$9,936.26	\$5,464.45	\$4,471.81
58341818	\$61,119.44	\$23,817.23	\$37,302.21
58341999	\$26,329.28	\$10,599.65	\$15,729.63
58342011	\$69,914.32	\$19,286.56	\$50,627.77
58342079	\$28,495.36	\$12,115.35	\$16,380.01
58350304	\$21,049.80	\$7,440.06	\$13,609.74
58354850	\$8,062.03	\$13,707.97	(\$5,645.95)
58354889	\$46,334.89	\$17,790.79	\$28,544.10
58354931	\$26,733.34	\$9,845.04	\$16,888.29
58360941	\$53,950.68	\$15,012.28	\$38,938.40
58361160	\$31,240.51	\$9,297.19	\$21,943.32
58361283	\$38,053.52	\$12,387.13	\$25,666.39
58361335	\$57,272.76	\$18,532.67	\$38,740.09
58361571	\$27,695.62	\$9,867.61	\$17,828.01
58362790	\$35,032.55	\$12,024.32	\$23,008.24
58380112	\$64,473.49	\$25,225.88	\$39,247.61
58380219	\$72,640.68	\$26,988.59	\$45,652.09
58380426	\$108,475.05	\$31,703.83	\$76,771.22
58380552	\$104,461.96	\$36,752.85	\$67,709.11
58380701	\$2,499.77	\$943.40	\$1,556.37
58381027	\$41,778.10	\$11,885.35	\$29,892.75
58381247	\$7,638.78	\$3,085.48	\$4,553.30
58381292	\$40,631.38	\$13,626.82	\$27,004.57
58381629	\$30,845.21	\$10,662.56	\$20,182.65
58381975	\$45,488.80	\$20,037.33	\$25,451.47
58382398	\$94,604.18	\$104,690.67	(\$10,086.49)
58399941	\$19,906.81	\$7,643.20	\$12,263.61
58400474	\$29,969.91	\$9,625.25	\$20,344.65
58414266	\$90,945.23	\$24,722.55	\$66,222.67
58414305	\$61,505.29	\$23,070.11	\$38,435.18
58414428	\$22,823.37	\$8,806.72	\$14,016.65
58414583	\$46,998.10	\$13,986.59	\$33,011.51
58420399	\$21,542.46	\$8,151.96	\$13,390.51
58439940	\$105,647.94	\$32,776.33	\$72,871.61
58440104	\$29,415.18	\$11,249.14	\$18,166.04
58440227	\$27,692.52	\$8,510.70	\$19,181.82
58440324	\$41,435.21	\$14,761.93	\$26,673.27
58447482	\$47,493.93	\$13,067.37	\$34,426.56
58447589	\$55,356.56	\$17,662.51	\$37,694.05
58461730	\$49,355.02	\$17,747.71	\$31,607.31
58461918	\$91,851.00	\$33,488.02	\$58,362.98
58462250	\$42,877.95	\$13,587.64	\$29,290.32
58462548	\$40,284.72	\$11,777.73	\$28,506.99
58462755	\$67,793.07	\$25,694.53	\$42,098.54
58462920	\$119,912.36	\$85,690.71	\$34,221.65
58463084	\$46,918.34	\$13,441.17	\$33,477.17
58463440	\$8,154.71	\$4,116.52	\$4,038.19
58463712	\$26,550.04	\$10,764.63	\$15,785.41
58463987	\$40,960.59	\$13,645.80	\$27,314.79
58495780	\$19,344.12	\$8,359.20	\$10,984.92

58496271	\$22,218.10	\$6,700.07	\$15,518.03
58507296	\$3.08	\$2.73	\$0.36
58513183	\$32,791.94	\$41,539.08	(\$8,747.14)
58513400	\$28,404.36	\$12,433.75	\$15,970.60
58513675	\$41,436.29	\$14,742.96	\$26,693.33
58513840	\$38,190.16	\$16,673.99	\$21,516.17
58584882	\$16,713.07	\$6,710.91	\$10,002.16
58585357	\$24,227.82	\$9,424.52	\$14,803.30
59384023	\$157,172.71	\$102,201.08	\$54,971.63
59384052	\$211,917.26	\$119,514.87	\$92,402.38
59384078	\$46,467.32	\$27,041.78	\$19,425.54

Total	\$6,790,114.97		<b>\$3,550,823.98</b>
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**CERTIFICATE OF SERVICE**

I hereby certify that on the 25<sup>th</sup> day of April 2006, the attached **SUPPLEMENTAL EXPERT REPORT OF LARRY W. EVANS PURSUANT TO RULE 26(A)(2)(b), FED. R. CIV. P.** was served upon the below-named counsel of record at the address and in the manner indicated:

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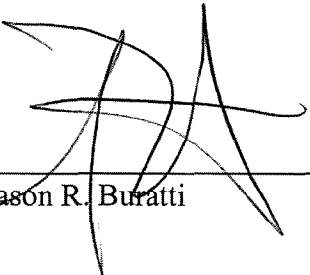
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